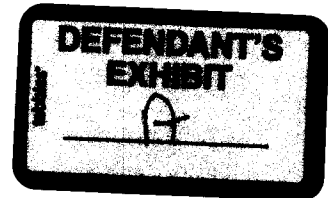


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MAY 01 2003

Clerk  
District Court  
For The Northern Mariana Islands



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ATTORNEYS FOR THE PLAINTIFF

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN MARIANA ISLANDS

**ELAINE L. CHAO**, Secretary of Labor,  
United States Department of Labor,

Plaintiff,

v.

**NEW SAIPAN DEVELOPMENT, INC.**,  
a corporation; ROYAL CROWN INSURANCE  
CORPORATION, a corporation; CHEONG  
PUI NG a/k/a TONY C. P. NG,; and  
KANG HO YU,

Defendants.

)  
) CASE NO.  
) **CV 03-0012**  
) C O M P L A I N T  
)  
) (Fair Labor Standards Act  
) of 1938, as amended)  
)  
) Injunction, Backwages,  
) Liquidated Damages  
)  
)  
)  
)

Plaintiff Elaine L. Chao, Secretary of Labor, United States  
Department of Labor, brings this action pursuant to Section 17 of  
the Fair Labor Standards Act of 1938 (FLSA), as amended (29 U.S.C.  
§201 et seq.) to enjoin Defendants from violating the provisions of  
Sections 15(a)(2) and 15(a)(5) of the FLSA (29 U.S.C. §§ 215(a)(2),  
215(a)(5)). Plaintiff separately brings this action: (A) pursuant  
to Section 16(c) of the FLSA (29 U.S.C. §216(c)) for the recovery  
of a judgment against Defendants for unpaid overtime compensation  
due to Defendants' employees and liquidated damages in an equal  
amount; or (B) in the alternative, in the event liquidated damages  
are not awarded, pursuant to Section 17 of FLSA (29 U.S.C. §217)

1 for the recovery of a judgment permanently restraining Defendants  
2 from withholding payment of unpaid overtime compensation due to the  
3 Defendants' employees, plus pre-judgment interest computed thereon.

4 **JURISDICTION**

5 1. This court has jurisdiction pursuant to: (A) Sections  
6 16(c) and 17 of the FLSA (29 U.S.C. §216(c) and §217); (B) 28  
7 U.S.C. § 1331 (federal question); and (C) 28 U.S.C. § 1345 (United  
8 States as Plaintiff).

9 **THE PARTIES**

10 2. Defendant New Saipan Development, Inc. is a corporation  
11 organized under the laws of the Commonwealth of the Northern  
12 Mariana Islands (CNMI), with its place of business located at The  
13 Royal Crown House, Beach Road, San Antonio, Saipan, MP 96950, which  
14 is within this court's jurisdiction.

15 3. Defendant Royal Crown Insurance Corporation is a  
16 corporation organized under the laws of the CNMI, with its place of  
17 business located at The Royal Crown House, Beach Road, San Antonio,  
18 Saipan, MP 96950, which is within this court's jurisdiction.

19 4. Defendant Cheong Pui Ng, a/k/a Tony C. P. Ng, is the sole  
20 shareholder and president of Defendant New Saipan Development, Inc.  
21 and Defendant Royal Crown Insurance Corporation. At all relevant  
22 times, Defendant Cheong Pui Ng has resided at The Royal Crown  
23 House, Beach Road, San Antonio, Saipan, MP 96950, which is within  
24 this court's jurisdiction.

25 5. During all relevant periods, Defendant New Saipan  
26 Development, Inc., Defendant Royal Crown Insurance Corporation, and  
27 Defendant Cheong Pui Ng separately and collectively engaged in an  
28 enterprise formed to construct certain improvements on real

1 property located in the CNMI. This enterprise's principal place of  
2 business is also located at The Royal Crown House, Beach Road, San  
3 Antonio, Saipan, MP 96950, which is within this court's  
4 jurisdiction.

5 6. During the relevant periods, Defendant New Saipan  
6 Development, Inc., Defendant Royal Crown Insurance Corporation, and  
7 Defendant Cheong Pui Ng separately and collectively acted, directly  
8 or indirectly, in the CNMI, in the interest of the enterprise in  
9 relation to the employees identified in Exhibit A to this Complaint  
10 within the meaning of Section 3(d) of the FLSA (29 U.S.C. §203(d)).

11 7. Defendant Kang Ho Yu is the Secretary/Treasurer of  
12 Defendant New Saipan Development, Inc., one of the participants in  
13 the enterprise above. Defendant Kang Ho Yu resides at The Royal  
14 Crown House, Beach Road, San Antonio, Saipan, MP 96950 which is  
15 within the jurisdiction of the Court. At all relevant times,  
16 Defendant Kang Ho Yu acted directly or indirectly in the CNMI in  
17 the interest of the enterprise in relation to the employees  
18 identified in Exhibit A to this Complaint within the meaning of  
19 Section 3(d) of the FLSA (29 U.S.C. §203(d)).

20 **GENERAL ALLEGATIONS**

21 8. At all relevant times, Defendant New Saipan Development,  
22 Inc. Defendant Royal Crown Insurance Corporation, and Defendant  
23 Cheong Pui Ng separately and collectively employed, and are  
24 employing, employees in and about their aforesaid place of business  
25 in handling, selling or otherwise working on goods and materials  
26 which were manufactured or produced outside the CNMI or which  
27 otherwise originated from places outside of the CNMI.

28 9. At all relevant times, the activities of Defendant New

1 Saipan Development, Inc. Defendant Royal Crown Insurance  
2 Corporation, and Defendant Cheong Pui Ng, both separately and  
3 collectively, were and are related and performed through unified  
4 operation or common control for a common business purpose, and thus  
5 constitute an enterprise within the meaning of Section 3(r) of the  
6 FLSA (29 U.S.C. §203(r)).

7 10. At all relevant times, Defendants' enterprise had, and  
8 has, employees engaged in commerce or in the production of goods  
9 for commerce, including employees handling, selling or otherwise  
10 working on goods that have been moved in or produced for commerce,  
11 as aforesaid. Defendants' enterprise at all times hereinafter  
12 mentioned has had, and has, an annual gross volume of sales made or  
13 business done of not less than \$500,000 (exclusive of excise taxes  
14 at the retail level separately stated). By reason thereof,  
15 Defendants' enterprise is an enterprise engaged in commerce or in  
16 the production of goods for commerce within the meaning of Section  
17 3(s)(1)(A) of the FLSA (29 U.S.C. §203(s)(1)(A)).

#### 18 VIOLATIONS

19 11. Defendants repeatedly and willfully have violated, and  
20 are violating, Sections 7 and 15(a)(2) of the FLSA (29 U.S.C.  
21 §§ 207 and 215(a)(2)) by employing the previously-described  
22 employees in commerce or in the production of goods for commerce,  
23 or in an enterprise engaged in commerce or in the production of  
24 goods for commerce for work weeks longer than forty (40) hours  
25 since on or about September 6, 1998 without compensating said  
26 employees for their employment in excess of forty (40) hours in  
27 such workweeks at rates not less than one and one-half times the  
28 regular rates at which they were employed.

1        12. Defendants repeatedly and willfully have violated, and  
2 are violating, Sections 11(c) and 15(a)(5) of the FLSA (29 U.S.C.  
3 §§ 211(c) and 215(a)(15)), in that since September 6, 1998 they  
4 have failed to make, keep and preserve records of their employees  
5 and of the wages, hours and other conditions and practices of  
6 employment maintained by them, as prescribed by the regulations  
7 duly promulgated under Section 11(c) of the FLSA (29 U.S.C.  
8 §211(c)) at 29 C.F.R. §516, in that the records kept by Defendants  
9 failed to show the hours worked each workday and each workweek, the  
10 regular rate of pay, the basis upon which wages are paid, and the  
11 total straight time and overtime earnings for each workweek, with  
12 respect to many of their employees.

13        13. During the period since on or about September 6, 1998,  
14 Defendants have willfully violated and are violating the aforesaid  
15 provisions of the FLSA.

16        14. A money judgment for unpaid overtime compensation due the  
17 Defendants' employees and liquidated damages in an amount equal  
18 thereto are specifically authorized by Section 16(c) of the FLSA  
19 (29 U.S.C. §216(c)).

20        15. A judgment permanently enjoining such violations and  
21 including the restraint of any withholding of payment of unpaid  
22 compensation due under the FLSA, is also specifically authorized by  
23 Section 17 of the FLSA (29 U.S.C. §217).

24        WHEREFORE Plaintiff prays for judgment:

25        i. Pursuant to Section 17 of the FLSA (29 U.S.C. §217),  
26 permanently enjoining Defendants, their officers, agents, servants,  
27 employees and all persons acting in their behalf and interest from  
28 violating Sections 15(a)(2) and 15(a)(5) of the FLSA (29 U.S.C. §§

1 215(a)(2) and 215(a)(15);

2 ii. Pursuant to Section 16(c) of the FLSA (29 U.S.C.  
3 §216(c)), awarding Plaintiff money damages for unpaid overtime  
4 compensation found to be due to Defendants' present and former  
5 employees named in Exhibit A attached to the Complaint (and for any  
6 person added thereto at a later date) and an equal amount in  
7 liquidated damages;

8 iii. In the alternative, in the event liquidated damages are  
9 not awarded pursuant to Section 17 of the FLSA (29 U.S.C. §217),  
10 for the recovery of a judgment enjoining Defendants from  
11 withholding payment of unpaid overtime compensation found by the  
12 Court due Defendants' employees, plus pre-judgment interest  
13 computed thereon;

14 iv. Awarding Plaintiff her attorneys fees and costs; and

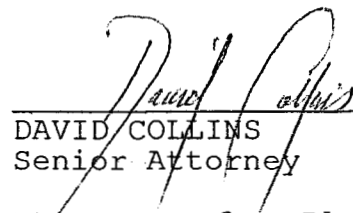
15 v. Granting Plaintiff such other and further relief as the  
16 court determines is necessary and appropriate.

17 Dated: May 1, 2003

18 HOWARD M. RADZELY  
19 Acting Solicitor of Labor

20 SUSANNE LEWALD  
21 Regional Solicitor

22 By:

  
23 DAVID COLLINS  
24 Senior Attorney

25 Attorneys for Plaintiff Elaine L.  
26 Chao, Secretary of Labor, United  
27 States Department of Labor  
28

EXHIBIT A

1. Arasula, Ruben
2. Alcaraz, Gabriel
3. Alcaraz, Nathaniel
4. Alcaraz, Set A.
5. Chen, Guo Tai
6. Chen Huo Tai
7. Chen Kun Tai
8. Huang, Jun Han
9. Lin, Congn Zhen
10. Reyes, Ricardo
11. Rainier, Ignacio
12. Wu, Xian Zhong
13. Xu, Qing Xian
14. Yu, Han Chun
15. Zhan, You Can